

FISCAL NOTE

Bill #: HB0379

Title: Revise alternative livestock laws

Primary Sponsor: Ripley, R

Status: As Amended in House Committee

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
Expenditures:		
General Fund	\$0	\$0
State Special Revenue	\$30,000	\$30,000
Revenue:		
General Fund	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Fish, Wildlife and Parks

1. Procedures requiring the department to evaluate requests for the transfer of alternative livestock licenses and for the modification of existing licenses would return to those in place prior to the passage of Initiative 143.
2. The department will receive ten license modification requests each year. Of those ten requests, five will require a supplemental environmental assessment. Cost per supplemental environmental assessment is unknown until the project is identified. FWP estimates each assessment will cost \$5,000.
3. The department will receive a total of ten license transfer requests each year. Each license transfer will cost \$500.

Department of Livestock

4. If there were license modifications as allowed by new Section 1 (1) (c) on page two of the bill, and these modifications allow an increase in animal numbers, the Department of Livestock would receive additional funds as determined by set schedules. It is not known how many if any modifications would occur.
5. The Board of Livestock annually sets the per capita fee rates assessed to the livestock industry according to the provisions of 15-24-922, MCA. If there were an increase in domestic ungulate numbers due to a license

Fiscal Note Request HB0379, As Amended in House Committee
(continued)

modification, an increase in per capita fee revenue would occur. Presently the per capita fee is set at \$19.95 per animal. It is unknown what any increase in headcount would be.

6. In accordance with the provisions of 87-4-411, MCA, the FWP charges an annual renewal fee on alternative livestock ranches based on a scale that increases license fees based on the number of animals. Under existing statute, one-half of the fees collected must be deposited in the state special revenue fund for use by the Department of Livestock for purposes of this part. If there were an increase in the license fee paid by the alternative livestock producer, the Department of Livestock would receive one-half of those increased fees. It is unknown what animal number increases will occur if HB 379 is passed.

FISCAL IMPACT:

FWP Program 05	FY 2004 <u>Difference</u>	FY 2005 <u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$30,000	\$30,000
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$30,000	\$30,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	(\$30,000)	(\$30,000)

TECHNICAL NOTES:

1. This bill amends 87-4-412, MCA, to reinstate the ability of an alternative livestock licensee to transfer an alternative livestock license. Prior to amendment of this statute by Initiative 143, there was additional language in 87-4-412(2), MCA, that established the conditions under which a license could be transferred. This language may need to be added back to the statutes.
2. Prior to Initiative 143, the criteria for issuance of a modified and/or transferred license were in 87-4-426, MCA. The criteria may need to be added back to the statutes.